



# JobKeeper Payment

## 5 Things Employers Need To Do NOW

### 1. Register

You will need to register as an employer for the JobKeeper payment via the [ATO website](#). This does not confirm that you are participating; rather it's registering your interest in the scheme. The ATO will keep you updated on information as it's released.

**Actual notification to participate in the scheme is due to be lodged by April 26, 2020, at this time the ATO has not yet made the form available to do so.**

### 2. Bookwork

Make sure your bookwork is up to date. Your GST turnover (Taxable Supplies + GST free supplies) is the indicator used to establish that your business has experienced a reduction of 30% relative to turnover for the same period last year.

### 3. Payroll Records

Ensure your payroll records are up to date. By now you should be lodging payroll information through the STP (Single Touch Payroll) System, this will be the most efficient way to claim the JobKeeper Payment. Review your employee's eligibility for JobKeeper [HERE](#) to make sure their leave entitlements are updated, as this information will be important to know.

### 4. Employee Circumstances

If you are able to delay your decision in regards to your employees; either to stand them down or make them redundant, it could be pertinent to do so. We are still awaiting ATO guidelines as to how the JobKeeper Payment will apply in these circumstances. We expect to get further information this coming week.

### 5. Cashflow Requirements

Consider your cashflow requirements. What financial resources does your business have to pay Superannuation Guarantee for your employees receiving the JobKeeper Payment? And does your business have the financial resources to top up wages for those employees who have a normal wage in excess of the JobKeeper Payment?



# JobKeeper Payment Frequently Asked Questions For Employers

## **Do I need to include all my employees?**

This scheme is an 'all in rule'. The employer cannot select which employees they will apply the scheme to.

## **Can I claim this for employees I have 'stood down'?**

If you have stood down employees before or after March 30, but they were employed by you on March 1, 2020 you can include them in the JobKeeper Payment. You will however, need to meet the wage condition.

**Wage condition – This requires that the employer has already paid the employee a min of \$1, 500 per fortnight in the scheme payment period. Basically, you need to pay the \$1, 500 to the employee before you become entitled to claim the JobKeeper.**

## **Can I claim the JobKeeper for redundant employees?**

If you re-hire the redundant employee you will be eligible to claim the JobKeeper payment from the date you re-hire them, provided the employee was employed by you on March 1, 2020.

## **How and when do I receive the JobKeeper Payment?**

The first payment will be made in the first week in May. You will be required to pay your eligible employees the \$1, 500 per fortnight from the first fortnightly period of March 30, 2020. Your payment will be backdated until your first fortnight. For example if you do not commence paying your employees until May 1, then that would be your first fortnight and you would not be paid until June 14.

The ATO will make payments 14 days after the end of the calendar month. As the JobKeeper Payment is paid in arrears you need to ensure that you have the required cashflow to fund payments to employees during this period.

## **Can I change the hours of work, duties or other conditions of my employees?**

The rules allow employers to change work hours, conditions and duties as amendments have been made to the Fair Work Act 2009. We advise you seek legal advice in regards to changes to employment conditions.



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## **Do I need to pay Superannuation & PAYG Withholding?**

Normal PAYG Withholding rates apply to the JobKeeper. Carefully read the superannuation examples below:

If the employee normally earns less than \$1,500 per fortnight, for example \$1,000 then they are paid the \$1,500 under the scheme, but the employer only pays superannuation on their ordinary wage of \$1,000.

If the employee ordinarily earns \$3,000 per fortnight and receives \$1,500 from the JobKeeper Payment and \$1,500 top up from the employer, then superannuation is paid on \$3,000.

Where the employee has been stood down and then receives the JobKeeper Payment the employer can choose to pay no superannuation on the whole amount of \$1,500.

## **I am Self Employed, am I eligible?**

Yes, the JobKeeper Payment is available to self employed people, provided you meet the basic eligibility criteria.

## **What about Partnerships, Company or Trusts?**

You will be able to nominate one principal to receive the payment. They must be a Partner, Director, Shareholder or beneficiary of the trust.



# JobKeeper Payment Frequently Asked Questions for Employees

## **What happens if I have been stood down and there is no work for me to do?**

As long as the employer elects to enter the JobKeeper Scheme and remains eligible you can remain stood down and still receive the payment, as long as you are still employed by the business.

## **Can my employer change my work duties, hours or conditions?**

If your employer has useful work for you to do and their request is not unreasonable, they can direct their employees to perform any duties within the skill and competency level.

The employer can direct the employee not to work usual days or hours. Any changes to hours worked must be provided in writing by the employer and the employee must be given three days notice.

## **If I am already on leave can I cancel my leave and go on these payments?**

Yes you can, unless your employer directs you to take leave under your award.

An employer receiving the JobKeeper Payment can request that the employee takes paid annual leave. However the employee must retain a balance of at least two weeks.

For example, Ann has six weeks annual leave. Her employer can request that four weeks of her annual leave be paid out through her normal pay cycle. Her employee will claim the JobKeeper Payment in respect of Ann's employment during the time period that the annual leave is paid out. Ann will retain two weeks of her annual leave.